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When Financing and Tax Strategies Shape Corporate Responsibility: Examining the Effects of Capital Structure and Tax Avoidance on CSR Implementation

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Abstract

This study examines the interconnected effects of capital structure and tax avoidance on corporate social responsibility (CSR) implementation among food and beverage companies listed on the Indonesia Stock Exchange from 2021 to 2023. While corporate financing decisions and tax strategies are often viewed as mechanisms that shape resource allocation and managerial priorities, their influence on CSR engagement remains empirically contested. Using purposive sampling, the research analyzes firms that consistently published financial reports and used the Rupiah as their reporting currency during the observation period. Capital structure is measured through the debt-to-equity ratio, tax avoidance is assessed using the Cash Effective Tax Rate, and CSR implementation is evaluated using aggregated environmental, social, and governance (ESG) scores. Multiple regression analysis reveals that neither tax avoidance nor capital structure exerts a significant effect on CSR implementation. These findings diverge from prevailing theoretical expectations grounded in agency theory, trade-off theory, and compliance theory, which suggest that aggressive tax strategies or high leverage could undermine a firm's commitment to socially responsible practices. The results indicate the possibility of moderating or mediating influences such as political connections, managerial ethics, governance quality, or investment opportunities that may weaken the direct relationship between financial strategies and CSR outcomes. The study contributes to the growing discourse on corporate responsibility by highlighting the need for more nuanced models that integrate ethical, organizational, and institutional factors when evaluating how firms balance financial decisions with their social obligations.

1. Introduction

The interplay between corporate financing decisions, particularly capital structure and tax strategies, and a firm's commitment to corporate social responsibility has garnered increasing attention in both academic discourse and practical corporate governance (Issah & Rodrigues, 2021). This complex relationship necessitates a thorough examination of how financial architecture and tax avoidance mechanisms might either facilitate or impede the robust implementation of CSR initiatives within organizational frameworks. This paper investigates the multifaceted implications of capital structure and tax avoidance on CSR, viewing tax avoidance as a critical component of corporate social irresponsibility that warrants detailed scrutiny (Krieg & Li, 2021)(Bird & Davis-Nozemack, 2018).

Specifically, this research aims to explore whether companies engaged in aggressive tax avoidance, which has been identified as a sustainability problem (Bird & Davis-Nozemack, 2018), exhibit a corresponding reduction in their CSR performance, potentially due to a diversion of resources or a general disregard for stakeholder welfare. Furthermore, the paper considers the implications of various capital structures, such as debt-to-equity ratios, on a firm's capacity and willingness to invest in socially responsible practices, acknowledging that financial leverage can either empower or constrain CSR efforts.

This examination is critical given the increasing societal pressure on corporations to balance profit motives with broader ethical and social obligations, making the alignment of financial strategies with CSR objectives a paramount concern for modern enterprises (Okuyama et al., 2025). Given that corporate tax avoidance has been linked to diminished CSR performance, this study posits that firms prioritizing aggressive tax strategies may exhibit a reduced commitment to social responsibility, potentially reallocating resources away from such initiatives (Migliavacca, 2024). Conversely, companies actively engaging in CSR activities are often observed to adopt lower tax avoidance measures, indicating a potential reciprocal relationship between socially responsible behavior and tax strategy (Faradisty et al., 2019).

This suggests that a firm's overarching ethical culture, which underpins its CSR commitments, may also influence its approach to tax strategies, leading to more responsible tax practices that benefit both shareholders and society (Bird & Davis-Nozemack, 2018). This observation is consistent with findings indicating that firms with higher CSR commitments tend to protect their reputation from negative perceptions, thereby avoiding aggressive tax strategies. Moreover, the ethical considerations underpinning CSR extend to fiscal responsibility, challenging the notion that profit maximization should invariably supersede societal contributions through fair taxation. This intricate connection underscores the necessity of analyzing how a firm's ethical stance on tax obligations intersects with its broader CSR agenda, potentially influencing its sustainability and long-term value creation (Tanaya et al., 2023)(Faradisty et al., 2019).

This study further delves into how varying capital structures might influence this dynamic, exploring whether a firm's reliance on debt versus equity financing moderates the relationship between tax avoidance and CSR implementation. The theoretical underpinnings for this analysis draw from agency theory and stakeholder theory, which provide a robust framework for understanding the competing incentives that shape corporate decisions regarding financial leverage, tax strategies, and social responsibility (Persakis & Kolias, 2024). For instance, overconfident CEOs may pursue aggressive tax avoidance strategies to fund ambitious investment and innovation projects, potentially impacting the resources available for CSR initiatives (García-Meca et al., 2021).

Similarly, managerial opportunism can lead to tax avoidance practices that diminish firm value due to increased risk, thereby potentially reducing the capacity or willingness to engage in CSR activities (Tanaya et al., 2023). This paper also considers how the pursuit of tax avoidance might inherently contradict the principles of CSR, as it often involves legal yet ethically questionable maneuvers that reduce contributions to public goods and services (Faradisty et al., 2019). While some research indicates a positive correlation between CSR and tax avoidance, suggesting CSR can be used to disguise tax-avoiding behaviors, other studies highlight a negative relationship where high sales growth leads to decreased tax avoidance. However, the prevailing view suggests that firms committed to CSR tend to avoid aggressive tax strategies, recognizing that such practices can damage corporate reputation and undermine stakeholder trust (Kim & Im, 2017). This nuanced perspective is further complicated by the observation that increasing profitability does not necessarily mitigate the impact of sales growth on tax avoidance, indicating a complex interplay of financial performance metrics and tax strategies.

This paper thus seeks to clarify these complex interactions, examining how the ethical implications of financial decisions, specifically capital structure and tax avoidance, permeate and ultimately shape a corporation's dedication to social responsibility. This investigation will contribute to a more holistic understanding of corporate governance, emphasizing the interconnectedness of financial policies and their broader societal impact (Faradisty et al., 2019). Such an analysis is particularly pertinent given that aggressive tax avoidance can diminish national fiscal income and distort capital allocation efficiency, posing a significant international challenge (Cao et al., 2019). Prior literature has extensively explored the relationship between managerial characteristics, internal information environments, and corporate tax avoidance, alongside the influence of corporate governance mechanisms like management incentives and board structures. However, less attention has been paid to the ethical dimensions of these strategies and their repercussions for a firm's commitment to corporate social responsibility (Chen et al., 2016).

This study aims to bridge this gap by systematically analyzing how financing decisions, particularly capital structure and tax strategies, interact with and influence a firm's CSR initiatives, offering a comprehensive framework for understanding this intricate relationship (Cao et al., 2019)(Persakis & Kolias, 2024).

2. Literature Review

2.1 Agency Theory

Agency theory, fundamentally concerned with the conflicts of interest between principals and agents, provides a crucial lens through which to examine how managerial decisions regarding capital structure and tax avoidance impact CSR (Barros & Sarmento, 2020). Specifically, this framework highlights how divergences in objectives between shareholders (principals) and managers (agents) can lead to decisions that prioritize short-term financial gains, such as aggressive tax avoidance, over long-term societal value creation associated with CSR (Bird & Davis-Nozemack, 2018).

This can manifest as managers making decisions that maximize their own utility, such as compensation tied to after-tax earnings, potentially at the expense of broader stakeholder interests including those served by CSR (Jacob et al., 2021). Such agency problems can lead to suboptimal outcomes for the firm and its stakeholders, as resources that could be allocated to socially responsible initiatives are instead diverted towards strategies that primarily benefit managerial compensation or shareholder wealth (Huseynov & Klamm, 2012).

Furthermore, the pursuit of tax minimization, while often presented as a fiduciary duty to shareholders, can introduce agency costs if it leads to increased scrutiny, reputational damage, or legal penalties, thereby undermining the very shareholder value it seeks to enhance (Cao et al., 2019). Moreover, the "undersheltering puzzle" highlights that the apparent benefits of tax avoidance are frequently offset by various costs, which can be either tax-related or non-tax-related, and these costs and benefits may accrue differently across diverse stakeholders (Kovermann & Velte, 2021). These divergent accruals exacerbate agency conflicts, as managers might prioritize tax avoidance strategies that benefit them or a subset of shareholders, potentially neglecting the broader implications for the firm's social license to operate and its commitment to CSR. This agency perspective posits that not all firms engage equally in tax avoidance due to varying costs and benefits associated with such activities, influencing the allocation of resources towards CSR (Jacob et al., 2021).

2.2 Trade-off Theory

Building on agency theory, the tradeoff theory further posits that firms strategically balance the costs and benefits of various financial decisions, including tax avoidance, with their social responsibilities, acknowledging that excessive risk-taking in tax strategies can impose significant financial and reputational costs (Kovermann, 2018). This balancing act necessitates a careful evaluation of how aggressive tax planning might undermine a firm's long-term viability and its ability to maintain social legitimacy, thereby influencing the extent and nature of its CSR engagements (Stephenson & Vracheva, 2017)(Overesch & Willkomm, 2025).

For instance, the perceived reputational costs and increased risks associated with aggressive tax avoidance may lead investors to discount such strategies, suggesting that the benefits of tax savings might be outweighed by the negative perceptions of stakeholders. Consequently, firms might opt for less aggressive tax planning to preserve their corporate reputation and maintain stronger relationships with stakeholders, which can, in turn, reinforce their commitment to CSR (Chen et al., 2019). Thus, the tradeoff theory suggests that while tax avoidance might offer short-term financial gains, its potential to erode stakeholder trust and invite regulatory scrutiny can compel firms to engage more robustly in CSR activities to mitigate these negative perceptions and sustain their social license to operate (Timbate, 2023)(Bird & Davis-Nozemack, 2018). This delicate balance underscores the complexity of corporate decision-making, where the perceived benefits of tax avoidance must be continuously weighed against potential societal disapproval and the erosion of brand value, especially in an era of heightened public scrutiny over corporate ethics.

2.3 Compliance Theory

Compliance theory offers a complementary perspective, explaining how various internal and external pressures, including regulatory frameworks, social norms, and stakeholder expectations, compel firms to adhere to certain standards of conduct in both their financial strategies and CSR endeavors (Bird & Davis-Nozemack, 2018). This theory suggests that firms may engage in CSR as a form of regulatory compliance or to pre-empt stricter regulations, thereby influencing their tax behavior (Amiram et al., 2019). This perspective highlights that adherence to social norms regarding responsible tax practices can be viewed as an aspect of CSR, where firms choose to reduce tax avoidance to safeguard their reputation and maintain legitimacy (Hong & Wen, 2024). For example, companies deeply committed to social responsibility are less likely to engage in tax avoidance, recognizing that such practices can damage their public image and stakeholder trust.

This aligns with research indicating that higher CSR scores correlate with reduced tax aggressiveness, suggesting a complementary relationship between responsible tax behavior and broader CSR objectives (Müller et al., 2021). Conversely, a strong compliance culture can deter opportunistic managerial behavior, ensuring that financial strategies, including tax planning, are aligned with ethical considerations and long-term sustainability goals (Bird & Davis-Nozemack, 2018). Furthermore, deviation from social norms regarding tax practices can incur significant psychic costs for managers and social sanctions for firms, compelling even "sin firms" to limit tax avoidance to avoid further regulatory scrutiny and political costs. The borderline between legal and illegal tax planning also significantly impacts corporate tax strategies, with legal definitions acting as a reference point for managers navigating ethical considerations (Blaufus et al., 2019).

2.4 Hyphothesis Development

Research indicates that tax avoidance, characterized by legal yet aggressive strategies to minimize tax liabilities, directly influences a firm's capacity and motivation for CSR implementation (Okuyama et al., 2025) (Winarno et al., 2021). This influence stems from the dual nature of tax avoidance, which can either free up resources for CSR initiatives or signal a corporate culture less committed to broader societal welfare (Faradisty et al., 2019). Specifically, aggressive tax avoidance practices can undermine public trust and stakeholder relationships, thereby increasing the imperative for compensatory CSR activities to rebuild legitimacy (Bird & Davis-Nozemack, 2018). Conversely, a strong commitment to CSR may lead companies to adopt less aggressive tax avoidance strategies, viewing responsible tax payments as an integral component of their social responsibility (Faradisty et al., 2019). For instance, firms with high CSR engagement tend to exhibit lower levels of tax avoidance, suggesting an inverse relationship where ethical commitments extend to fiscal responsibilities.

This is further supported by findings that companies with robust corporate social, environmental, and governance performance are less likely to engage in aggressive tax practices (Ortas & Gallego-Álvarez, 2020). This suggests that responsible tax behavior is increasingly recognized as a critical dimension of overall corporate social responsibility, impacting how firms implement their CSR strategies (Lanis & Richardson, 2011). This interplay underscores the nuanced relationship where a company's approach to tax liabilities can either enhance or detract from its corporate social responsibility standing, ultimately shaping its public perception and stakeholder engagement (Faradisty et al., 2019). Drawing from the preceding theoretical discussions, the following hypotheses are formulated:

H_1: Tax avoidance has a significant negative effect on CSR implementation.

A firm's capital structure, encompassing the mix of debt and equity financing, profoundly influences its financial stability, risk profile, and resource allocation decisions, all of which indirectly affect its capacity and willingness to undertake CSR initiatives. Specifically, the level of financial leverage can impact the discretion available for CSR investments, as highly indebted firms might prioritize debt servicing over philanthropic activities, particularly in financially constrained environments. Conversely, financially stable companies with conservative capital structures may possess greater flexibility to allocate resources towards CSR programs without jeopardizing their core operations or financial covenants.

Moreover, the type of financing can also play a role, with equity financing often providing more long-term, patient capital conducive to sustainable CSR investments, while debt financing may impose more immediate financial pressures (Mary et al., 2022). This intricate relationship between capital structure and CSR engagement highlights how financial architecture can either facilitate or constrain a company's commitment to social and environmental responsibility, ultimately shaping its long-term societal impact. Building on these considerations, it is evident that capital structure decisions are not merely financial optimizations but strategic choices with far-reaching implications for a firm's CSR posture and its broader societal contributions.

This suggests that an optimal capital structure can provide the necessary financial resilience and strategic flexibility for companies to fully embrace and sustain their CSR commitments. This leads to the formulation of a hypothesis that examines the direct effect of capital structure on CSR implementation, considering that firms with higher leverage may face greater financial constraints in allocating resources to CSR initiatives (Huang & Ye, 2021). However, a nuanced perspective suggests that high leverage could also incentivize firms to engage in more CSR activities to mitigate agency costs and reassure stakeholders of their long-term viability, potentially facilitating access to debt financing despite perceived risk (Uyar et al., 2024). This dual effect necessitates a deeper exploration into how varying levels and types of capital, particularly debt, can either enable or impede a firm's CSR endeavors, especially given that overleveraged firms can experience heightened financial distress, further impacting their capacity for social investment (Huang & Ye, 2021). Drawing from the preceding theoretical discussions, the following hypotheses are formulated:

H_2: Capital structure has a significant negative effect on CSR implementation.

3. Research Methods

This study adopts a quantitative research design to empirically examine the effects of tax avoidance and capital structure on corporate social responsibility (CSR) implementation among food and beverage companies listed on the Indonesia Stock Exchange (IDX). A positivist paradigm underpins the research, emphasizing objective measurement, statistical testing, and generalizable findings.

3.1 Research Setting and Sample Selection

The population comprises all food and beverage sub-sector companies listed on the IDX. A purposive sampling approach was used to identify firms that meet the following criteria:

1. Companies consistently listed in the food and beverage sub-sector during 2021–2023;

2. Companies that published complete and consecutive annual financial statements for the period 2021–2023;
3. Companies reporting financial information in Indonesian Rupiah (IDR).

Purposive sampling was selected to ensure the availability and comparability of data necessary for measuring the study variables. The final sample consists of firms whose financial and sustainability-related disclosures meet the data requirements.

3.2 Data Type and Data Collection

The study relies exclusively on secondary data obtained from:

1. Annual financial reports,
2. Sustainability reports, and
3. IDX official databases.

These data sources provide detailed information on tax expenses, profitability, leverage ratios, and CSR indicators. Data extraction followed a structured coding sheet to ensure accuracy and consistency.

3.3 Operational Definitions and Variable Measurement

1. Tax Avoidance (TA)

Tax avoidance is conceptualized as managerial strategies aimed at minimizing tax obligations through legal mechanisms. It is measured using the Cash Effective Tax Rate (CETR), calculated as:

$$CETR = \frac{\text{Cash Taxes Paid}}{\text{Pre-Tax Income}}$$

Lower CETR values indicate higher levels of tax avoidance.

2. Capital Structure (CS)

Capital structure refers to the proportion of debt and equity used to finance firm activities. The study measures capital structure using the Debt-to-Equity Ratio (DER)**:**

$$DER = \frac{\text{Total Debt}}{\text{Total Equity}}$$

Higher DER reflects greater financial leverage and financial risk.

3 Corporate Social Responsibility Implementation (CSR)

CSR implementation is assessed using an Environmental, Social, and Governance (ESG) Score, aggregated from sustainability disclosures. This index captures a firm's environmental stewardship, social performance, and governance practices.

3.4 Data Analysis Technique

Data analysis was performed using multiple linear regression to test the hypothesized relationships between tax avoidance, capital structure, and CSR implementation. The statistical procedures included:

1. Descriptive analysis,
2. Classical assumption tests (normality, multicollinearity, heteroscedasticity, autocorrelation),
3. Regression coefficient estimation,
4. Model significance testing (F-test and t-test),
5. Coefficient of determination (R^2) analysis.

All analyses were conducted using **SPSS**, ensuring robustness and reliability of the statistical results. The regression model is specified as follows:

$$CSR = \alpha + \beta_1 TA + \beta_2 CS + \varepsilon$$

3.5 Ethical Considerations

The study uses publicly available corporate data, ensuring no breach of confidentiality. All interpretations strictly follow academic guidelines for responsible reporting.

4. Results and Discussion

4.1 Research Results

Multiple regression analysis was conducted to ascertain the direction and nature (positive or negative) of the relationships between the independent and dependent variables, and to predict the dependent variable's value based on changes in the independent variables. A summary of the multiple linear regression results is presented below:

Table 1. Multiple Regression Analysis Test Results

Variable	Beta value	Sig.
(Constant)	63.765	0.001
Tax Avoidance	-0.022	0.637
Capital Structure	-0.527	0.260

a. The results in Table 1 show that the significant value of 0.637, being greater than 0.05, indicates that the effect is not statistically significant. Consequently, hypothesis 1, which posited a significant effect, is rejected.
b. The results in Table 1 show that the significant value of 0.260, being greater than 0.05, indicates that the effect is not statistically significant. Consequently, hypothesis 2, which posited a significant effect, is rejected.

4.2 Research Discussion

The results in Table 1 show that the significant value of 0.637, being greater than 0.05, indicates that the effect is not statistically significant. Consequently, hypothesis 1, which posited a significant effect, is rejected. This finding suggests that tax avoidance does not have a significant direct effect on the implementation of corporate social responsibility. This outcome deviates from certain prior research which suggests a negative relationship where strong CSR performance correlates with lower levels of tax avoidance, implying a commitment beyond mere compliance to broader stakeholder interests (Faradisty et al., 2019). Instead, our findings align with a perspective that views tax avoidance and CSR as distinct corporate strategies, driven by different motivations and regulatory pressures, rather than one directly influencing the other. This contrasts with a simplistic agency theory view that might predict managerial opportunism through tax avoidance would necessarily diminish resources or commitment to CSR. Furthermore, this result might indicate that companies prioritize tax efficiency as a separate strategic objective, independent of their social responsibility agenda, or that the mechanisms linking the two are more complex than a direct causal relationship (Wen et al., 2020).

This result supports compliance theory by suggesting that tax avoidance, when executed within legal boundaries, is perceived by firms as a distinct strategic imperative driven primarily by financial optimization and adherence to tax regulations. This perspective implies that companies manage their tax affairs to comply with fiscal laws independently of their CSR initiatives, which are pursued to meet different stakeholder expectations and regulatory mandates. Moreover, this outcome suggests that firms might compartmentalize these strategic areas, with distinct departments and objectives guiding each, preventing a direct interplay between tax avoidance practices and CSR implementation (Tanaya et al., 2023). This distinction highlights that while both areas are critical for corporate governance, they operate under different strategic frameworks and are evaluated through separate performance indicators (Faradisty et al., 2019).

The results in Table 1 show that the significant value of 0.260, being greater than 0.05, indicates that the effect is not statistically significant. Consequently, hypothesis 2, which posited a significant effect, is rejected. This indicates that capital structure, as measured by the debt-to-equity ratio, does not exert a direct and statistically significant influence on CSR implementation, challenging assumptions that financial leverage directly constrains or facilitates social initiatives. This finding suggests that decisions regarding financial leverage and corporate social responsibility might be decoupled within organizational strategy, with each driven by distinct sets of considerations and objectives. It suggests that while capital structure affects financial risk and operational capacity, it may not be a primary determinant for CSR engagement, which could instead be influenced by factors such as stakeholder pressure, industry norms, or ethical leadership (Faradisty et al., 2019).

This result does not support the conventional tradeoff theory, which often posits a direct and inverse relationship between financial leverage and other corporate decisions like CSR, where increased debt might constrain resources for non-financial initiatives. Instead, our findings suggest that decisions regarding capital structure and CSR implementation are decoupled, challenging the notion that a financial tradeoff directly governs a firm's commitment to social responsibility. This implies that organizations may possess sufficient managerial discretion or alternative resource allocation mechanisms to pursue CSR objectives irrespective of their financial structure (Zhao et al., 2020). This could further imply that firms have developed more sophisticated resource allocation strategies, allowing them to fund CSR initiatives through operational efficiencies or dedicated budgets rather than being solely dependent on their capital structure. Furthermore, this decoupling could indicate that the perceived benefits of CSR, such as enhanced reputation and stakeholder loyalty, are considered valuable enough to warrant investment irrespective of debt levels (Metzker et al., 2021). Moreover, some studies even suggest that increased leverage does not necessarily affect firm value or its capacity for CSR engagement, particularly when considering specific industry contexts or the lack of a direct causal link between capital structure changes and firm value (Fumani & Moghadam, 2015). This nuanced perspective aligns with empirical evidence challenging the trade-off theory in certain contexts, particularly regarding the ability of firms to balance "soft" and "hard" asset formation, and highlights that CSR performance and reporting can meet creditors' expectations in debt contracting (Uyar et al., 2024).

5. Closing

5.1 Conclusion

This study investigates the impact of capital structure and tax avoidance on the implementation of corporate social responsibility (CSR) among food and beverage companies listed on the Indonesia Stock Exchange from 2021 to 2023. Using multiple regression analysis and standardized CSR indicators, the empirical findings show that neither tax avoidance nor capital structure exerts a significant influence on CSR implementation.

These results challenge theoretical expectations derived from agency theory, trade-off theory, and compliance theory, which generally posit that aggressive tax strategies or high leverage would reduce a firm’s willingness or ability to engage in socially responsible activities. The findings imply that CSR decisions within the sample firms may be driven by broader strategic, ethical, or institutional forces rather than solely by financial policy variables. Consequently, CSR engagement may reflect long-term corporate values, stakeholder expectations, or regulatory norms that remain stable despite variations in tax strategies or financing decisions.

4.2 Theoretical and Practical Implications

Theoretically, this study contributes to the growing discourse on corporate responsibility by demonstrating that financial strategies do not always translate into measurable differences in CSR outcomes. This suggests the existence of moderating or mediating variables—such as governance quality, managerial ethics, political connections, stakeholder pressure, or corporate culture—which may buffer or override the effects of tax avoidance and leverage on CSR. Practically, the findings provide meaningful insights for corporate managers, investors, and regulators. For managers, the results underscore the importance of integrating CSR into long-term corporate strategy rather than treating it as a residual activity dependent on financial flexibility.

For policymakers and regulators, the evidence highlights the need for more robust disclosure guidelines and governance mechanisms to ensure that CSR implementation is genuinely aligned with ethical business conduct, including responsible tax practices. Investors may also use these insights to better assess the consistency between firms' financial strategies and their claimed sustainability commitments.

4.3 Limitations

Despite providing relevant empirical evidence, this study is subject to several limitations. First, it focuses solely on the food and beverage industry, limiting the generalizability of the findings to other sectors with differing regulatory pressures or capital structures. Second, the measurement of CSR through ESG scores relies on publicly disclosed information, which may not fully capture the depth or authenticity of CSR initiatives. Third, the analysis employs linear regression, which may not adequately reflect the complex and potentially non-linear relationships between tax strategies, financial policies, and CSR. Lastly, the study covers a period of only three years, which may not capture longer-term adjustments in corporate financial strategies or CSR commitments.

4.4 Future Research Directions

Future research should expand the sectoral scope by examining multiple industries to enhance generalizability. Scholars may also employ alternative analytical approaches such as structural equation modeling (SEM) to explore mediating or moderating effects such as governance quality, managerial characteristics, political connections, or sustainability-oriented leadership. Additionally, qualitative or mixed-method approaches could provide deeper insights into the ethical considerations and strategic motivations underlying the interaction between financial policies and CSR. Longer observation periods and more granular CSR indicators may also help clarify whether financial strategies exert delayed or indirect effects on corporate social responsibility. Further exploration of the alignment between responsible tax behavior and CSR remains crucial for understanding how corporations integrate financial decision-making with their societal obligations.

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